

HOUSE BILL 2390

By Littleton

AN ACT to amend Tennessee Code Annotated, Title 56,  
relative to reimbursement of health insurance  
claims.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-7-109(a), is amended by adding the following language as a new, appropriately designated subdivision:

( ) "Preauthorization" has the same meaning as defined in § 56-6-703.

SECTION 2. Tennessee Code Annotated, Section 56-7-109(b)(1), is amended by adding the following language as a new subdivision (C):

(C) Not later than ten (10) calendar days after receiving a claim by electronic submission for medical care the cost of which was preapproved, in whole or in part, under a health insurance entity's preauthorization process, the health insurance entity shall:

(i) If the entire cost of the claim was preapproved, pay the total covered cost of the claim; or

(ii) If a portion of the cost was preapproved, pay that portion of the cost of the claim, and notify the provider why any remaining portion of the cost of the claim will not be paid and what substantiating documentation or information, if any, is required to adjudicate the claim.

SECTION 3. Tennessee Code Annotated, Section 56-7-109(b)(1)(B), is amended by deleting the language "Not later than" and by substituting instead the language "Except as otherwise provided under subdivision (b)(1)(C), not later than".

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.